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ART UNIT		PAPER NUMBER		
3626				
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Please find below and/or attached an Office communication concerning this application or proceeding.

The time period for reply, if any, is set in the attached communication.

Office Action Summary

Application No.

10/608,265

Applicant(s)

KALIES, RALPH F.

Examiner

SHEETAL R. RANGREJ

Art Unit

3626

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --
Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 14 April 2008.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1-14 is/are pending in the application.
- 4a) Of the above claim(s) _____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 1-14 is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on _____ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
 2. ☐ Certified copies of the priority documents have been received in Application No. _____.
 3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- 1) ☐ Notice of References Cited (PTO-892)
- 2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)
- 3) ☐ Information Disclosure Statement(s) (PTO/SF/ICE)
Paper No(s)/Mail Date _____
- 4) ☐ Interview Summary (PTO-413)
Paper No(s)/Mail Date _____
- 5) ☐ Notice of Informal Patent Application
- 6) ☐ Other: _____

Prosecution History Summary

1. Claims 1-14 are pending.

Continued Examination Under 37 CFR 1.114

2. A request for continued examination under 37 CFR 1.114, including the fee set forth in 37 CFR 1.17(e), was filed in this application after final rejection. Since this application is eligible for continued examination under 37 CFR 1.114, and the fee set forth in 37 CFR 1.17(e) has been timely paid, the finality of the previous Office action has been withdrawn pursuant to 37 CFR 1.114. Applicant's submission filed on 04/14/2008 has been entered.

DETAILED ACTION

Claim Rejections - 35 USC § 103

3. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

4. Claims 1, 3-4, 6, 10, and 12-14 are rejected under 35 U.S.C. 103(a) as being unpatentable over Oscar et al. (U.S. Publication No. 2001/0037216) in view of Ullman (U.S. Publication no. 2002/0002495) and further in view of Freeman, Jr. et al. (U.S. Patent No. 6,012,035).

5. As per claim 1, Oscar teaches a method of providing prescription benefits to subscribers under a plan, comprising the steps of:

- a) identifying a sponsor for a prescription benefits plan (**Oscar: para. 0049, 1-4**);
- b) designing the prescription benefits plan, to include a formulary of preferred medications (**Oscar: para. 63-64**);

c) identifying at least one pharmacy that (**Oscar: para. 50, 23**):

i) participates in the prescription benefits plan (**Oscar: para. 50, 23**). The examiner interprets that identifying a pharmacy with the benefits plan means the pharmacy participates in the prescription benefits plan.

ii) receives prescriptions for medication and prescription benefit claims from subscribers, and iii) fulfills the prescriptions for a predetermined price; (**Oscar: para. 51**). The examiner interprets that seeing a list of the drugs dispensed and the cost means that the prescriptions were received and fulfilled.

e) enrolling each eligible subscriber who wishes to participate in the prescription benefits plan (**Oscar: para. 50, 1-3**);

f) generating an eligibility profile for each subscriber (**Oscar: figure 8; para. 50**). The examiner interprets the summary displayed to be the same as an eligibility profile;

Oscar does not teach: d) identifying at least one eligible subscriber having a valid credit or debit account with a creditor or institution and wishing to participate in the prescription benefits plan; g) establishing a prescription benefits manager to administer the prescription benefits plan; and h) establishing a prescription claims processor that: i) receives claims for prescription benefits from a participating pharmacy; ii) adjudicates the claims in accordance with the subscriber's eligibility profile;; iii) upon approval of a claim, charges the subscriber's credit account for accepted claims, the amount of the charge being equal to the price of the prescription minus a predetermined co-payment which is tendered by the subscriber to the pharmacy at the time of fulfilling the prescription; i) a first payment, made by the creditor to the prescription benefits manager, the first payment being equal to the amount charged to the subscriber's account

minus a first predetermined service fee to be retained by the creditor; j) a second payment, made by the prescription benefits manager to the pharmacy, the second payment being equal to a predetermined portion of the prescription price; and k) a third payment, made by the prescription benefits manager to the claims processor, the third payment being equal to a predetermined service fee.

Ullman teaches the following:

d) identifying at least one eligible subscriber having a valid credit or debit account with a creditor or institution and wishing to participate in the prescription benefits plan

(Ullman: figure 2, references S3 and S6-S7; para. 0007);

g) establishing a prescription benefits manager to administer the prescription benefits plan **(Ullman: para. 18);** and

h) establishing a prescription claims processor **(Ullman: para. 20)** that:

i) receives claims for prescription benefits from a participating pharmacy; ii)

adjudicates the claims in accordance with the subscriber's eligibility profile;

(Ullman: para. 22-25);

iii) upon approval of a claim, charges the subscriber's credit account for accepted claims, the amount of the charge being equal to the price of the prescription minus a predetermined co-payment which is tendered by the subscriber to the pharmacy at the time of fulfilling the prescription **(Ullman: para. 31);**

j) a second payment, made by the prescription benefits manager to the pharmacy, the second payment being equal to a predetermined portion of the prescription price

(Ullman: para. 25 and 32); and

k) a third payment, made by the prescription benefits manager to the claims processor, the third payment being equal to a predetermined service fee (**Ullman: para. 0017 and para. 0012**).

Therefore, it would have been prima facie obvious to one of ordinary skill in the art at the time the invention was made to combine the teachings of Oscar and Ullman. One of ordinary skill would have been motivated to combine these teachings because healthcare costs have risen dramatically; hence most health care is delivered through employer sponsored health care plans. Pharmacy Benefit Managers (PBMs) are used to process claims for prescription drug benefits and attempt to control costs. PBMs submit claims documentation to the claims processor to collect the remaining cost for the dispensed drug. (**Oscar: para. 5-9**)

Ullman does not teach i) a first payment, made by the creditor to the prescription benefits manager, the first payment being equal to the amount charged to the subscriber's account minus a first predetermined service fee to be retained by the creditor.

Freeman teaches i) a first payment, made by the creditor to the prescription benefits manager, the first payment being equal to the amount charged to the subscriber's account minus a first predetermined service fee to be retained by the creditor (**Freeman: col. 2, 38-41**).

Therefore, it would have been prima facie obvious to one of ordinary skill in the art at the time the invention was made to combine the teachings of Oscar in view of Ullman with Freeman. One of ordinary skill would have been motivated to combine these teachings because individuals receive medical services through coverage by third party payor with the balance payment remaining the responsibility of the patient. At other times, claims are submitted by patient or by the provider who then pays the provider, patient, or both. There are many inefficiencies and

inequalities inherent in this disjointed health care system and procedure. (**Freeman: col. 1, 26-40**)

6. As per claim 3, the method of claim 1 is as described. Oscar and Freeman do not teach further comprising the steps of: a) imprinting subscriber information onto identification cards; and b) distributing the identification cards to the subscribers.

Ullman teaches further comprising the steps of:

a) imprinting subscriber information onto identification cards (**Ullman: para. 7; para. 0032, 13-15**); and

b) distributing the identification cards to the subscribers (**Ullman: para. 0032, 13-23**).

The motivation to combine Oscar and Ullman is as same as the reasons described for claim 1.

7. As per claim 4, the method of claim 1 is as described. Oscar further teaches wherein the amount of the co-payment is determined by the medication's inclusion, exclusion or ranking in the formulary (**Oscar: para. 51, 6-21**).

8. As per claim 6, the method of claim 1 is as described. Oscar further teaches wherein the prescription benefits manager further generates reports relating to subscriber prescription claims (**Oscar: para. 55**).

9. As per claim 10, the method of claim 1 is as described. Oscar further teaches wherein an electronic means for telecommunication is used to link at least two of the participants comprising the subscriber, the prescription benefits plan sponsor, the pharmacy the prescription benefits manager, the claims processor and the creditor or institution (**Oscar: para. 50**).

10. As per claim 12, the method of claim 1 is as described. Oscar and Ullman do not teach wherein the first payment is in the form of a credit to an account which is periodically paid out to the prescription benefits manager. The examiner interprets that since the bill is provided to the patient, the payment was in the form of a credit.

Freeman teaches wherein the first payment is in the form of a credit to an account which is periodically paid out to the prescription benefits manager (**Freeman: col. 2, 38-50**). The examiner interprets that since the bill is provided to the patient, the payment was in the form of a credit.

The motivation to combine Oscar in view Ullman with Freeman is as same as the reasons described for claim 1.

11. As per claim 13, the method of claim 1 is as described. Oscar and Freeman do not teach wherein the sponsor for the prescription benefits plan is self-funded.

Ullman teaches wherein the sponsor for the prescription benefits plan is self-funded (**Ullman: para. 16**).

12. As per claim 14, the method of claim 13 is as described. Oscar and Freeman do not teach wherein the sponsor reimburses the subscriber in an amount related to the subscriber's participation in formulary-determined preferences (**Ullman: para. 25, 4-9**).

Ullman teaches wherein the sponsor reimburses the subscriber in an amount related to the subscriber's participation in formulary-determined preferences (**Ullman: para. 25, 4-9**).

Regarding claims 13-14, the motivation to combine Oscar and Ullman is as same as the reasons described for claim 1.

13. Claim 2 is rejected under 35 U.S.C. 103(a) as being unpatentable over Oscar et al. (U.S. Publication No. 2001/0037216) in view of Ullman (U.S. Publication no. 2002/0002495) and further in view of Freeman, Jr. et al. (U.S. Patent No. 6,012,035) and Judge (U.S. Publication No. 2002/0111832).

14. As per claim 2, the method of claim 1 is as described. Oscar, Ullman and Freeman do not teach wherein the claims processor further: a) performs a drug regimen review prior to approval of a claim; and b) advises the pharmacy of the review results.

Judge teaches wherein the claims processor further: a) performs a drug regimen review prior to approval of a claim; and b) advises the pharmacy of the review results (**Judge: para. 110**).

Therefore, it would have been prima facie obvious to one of ordinary skill in the art at the time the invention was made to combine the teachings of Oscar in view of Ullman with Freeman and Judge. One of ordinary skill would have been motivated to combine these teachings because it is to improve the quality of care while capping costs (**Judge: para. 0003**).

15. Claims 5, 7-9, and 11 are rejected under 35 U.S.C. 103(a) as being unpatentable over Oscar et al. (U.S. Publication No. 2001/0037216) in view of Ullman (U.S. Publication no. 2002/0002495) and further in view of Freeman, Jr. et al. (U.S. Patent No. 6,012,035) and Mayaud (U.S. Patent No. 5,845,255).

16. As per claim 5, the method of claim 1 is as described. Oscar, Ullman, and Freeman do not teach wherein the adjudication of claims by the claims processor further comprises the steps of: a) checking the prescription against the formulary; and b) recommending medications to the

pharmacy for fulfilling the prescription, the recommendation being determined by formulary preferences.

Mayaud teaches wherein the adjudication of claims by the claims processor further comprises the steps of: a) checking the prescription against the formulary; and b) recommending medications to the pharmacy for fulfilling the prescription, the recommendation being determined by formulary preferences. **(Mayaud: col. 35, 57 to col. 36, 9)**

Therefore, it would have been prima facie obvious to one of ordinary skill in the art at the time the invention was made to combine the teachings of Oscar in view of Ullman with Freeman and Mayaud. One of ordinary skill would have been motivated to combine these teachings because there is a difficulty in making integrated patient-specific information readily available to prescribing professionals that need information components because they are not centralized but are widely distributed geographically and even when their geographic or electronic locations are known, they are hard to access because of proprietary and liability and patient-confidentiality concerns and because of system, file, or protocol incompatibilities. **(Mayaud: col. 2, 12-20)**

17. As per claim 7, the method of claim 1 is as described. Oscar and Freeman do not teach wherein the prescription benefits manager further: a) identifies at least one market for at least one selected prescription medication, for at least one pharmaceutical company; b) accumulates usage data regarding consumption of the at least one selected prescription medication by the subscribers; c) periodically provides the usage data to the pharmaceutical company; and d) receives an incentive from the pharmaceutical company as a result of an increase in market share for the selected prescription medication among the subscribers.

Ullman does not teach wherein the prescription benefits manager further: a) identifies at least one market for at least one selected prescription medication, for at least one pharmaceutical company; b) accumulates usage data regarding consumption of the at least one selected prescription medication by the subscribers; c) periodically provides the usage data to the pharmaceutical company.

Mayaud teaches wherein the prescription benefits manager further: a) identifies at least one market for at least one selected prescription medication, for at least one pharmaceutical company (**Mayaud: col. 39, 36-43**); b) accumulates usage data regarding consumption of the at least one selected prescription medication by the subscribers (**Mayaud: col. 39, 55-65**); c) periodically provides the usage data to the pharmaceutical company (**Mayaud: col. 39, 44-54**).

Mayaud does not teach d) receives an incentive from the pharmaceutical company as a result of an increase in market share for the selected prescription medication among the subscribers (**Ullman: para. 34**).

Ullman teaches d) receives an incentive from the pharmaceutical company as a result of an increase in market share for the selected prescription medication among the subscribers (**Ullman: para. 34**).

The motivation to combine Oscar in view Ullman with Freeman and Mayaud is as same as the reasons described for claim 5. Furthermore, it would have been prima facie obvious to one of ordinary skill in the art at the time the invention was made to combine the teachings of Oscar in view of Ullman with Freeman and Mayaud. One of ordinary skill would have been motivated to combine these teachings because designing advertisements, doing research to define the exact target audience, and choosing where, when, and how to place the advertisements are

burdensome. An alternative method of marketing is the issuance of redeemable coupons.

However, the management of coupon verification, shuffling, and redemption is also an administrative nightmare. What is needed is an effective consumer rewards program scalable for all merchants in the retail pharmaceutical industry. **(Ullman: para. 3-5)**

18. As per claim 8, the method of claim 7 is as described. Oscar, Freeman, and Mayaud do not teach further comprising the step of sharing at least a portion of the incentive with subscribers who contribute to the increase in market share.

Ullman teaches further comprising the step of sharing at least a portion of the incentive with subscribers who contribute to the increase in market share **(Ullman: para. 34)**.

The motivation to combine Oscar in view Ullman with Freeman and Mayaud is as same as the reasons described for claim 5 and 7.

19. As per claim 9, the method of claim 8 is as described. Oscar, Freeman, and Mayaud do not teach wherein the amount of the incentive shared with a subscriber is related to that subscriber's contribution to the increase in market share **(Ullman: para. 35)**.

Ullman teaches wherein the amount of the incentive shared with a subscriber is related to that subscriber's contribution to the increase in market share **(Ullman: para. 35)**.

The motivation to combine Oscar in view Ullman with Freeman and Mayaud is as same as the reasons described for claim 5 and 7.

As per claim 11, the method of claim 7 is as described. Oscar teaches wherein an electronic means for telecommunication is used to link the pharmaceutical company and the prescription benefits manager **(Oscar: para. 11)**.

Response to Arguments

20. Applicant's arguments filed for claims 1-14 have been fully considered but they are not persuasive.

21. Applicant argues that Oscar does not teach “designing the prescription benefits plan.” In response to applicant's argument that the references fail to show certain features of applicant's invention, it is noted that the features upon which applicant relies (i.e., consultants are not entitled to define what medical products and prescription medications are covered, what portion of the cost the patient is responsible for, the amount of co-payment to be tendered by the patient at the time of dispensing and what portion of the cost of the products and prescriptions the pharmacy is responsible for) are not recited in the rejected claim(s). Although the claims are interpreted in light of the specification, limitations from the specification are not read into the claims. See *In re Van Geuns*, 988 F.2d 1181, 26 USPQ2d 1057 (Fed. Cir. 1993). Examiner disagrees and states that Oscar teaches “designing” the plan in that the consultant module of Oscar is used to analyze and construct pharmacy benefit plans. Consultant can change the proposed levels of co-payments or coinsurance percentage and, can change co-payment amounts of the benefits structure, which is the same as designing a prescription benefits plan.

22. Applicant argues that Oscar does not teach “enrolling” a subscriber to participate in the prescription benefits plan. Applicant states that Oscar merely registers users to interface with the management server. In construing a claim term the Examiner must give the claim term its plain and ordinary meaning unless the inventor specifically defines a term. In giving a claim term its plain and ordinary meaning, the Examiner can give the claim its broadest reasonable interpretation. *In re Baker Hughes, Inc.*, 215 F.3D 1297 (Fed. Cir. 2000). Examiner disagrees

and states that the consultants design a pharmacy benefits plan for users, the users identify the plan from the list, and complete a registration process (i.e. enrolling) to become eligible for the pharmacy benefits; therefore Oscar teaches “enrolling” a subscriber to participate in the prescription benefits plan.

23. Applicant argues that Ullman does not teach or suggest “identifying a sponsor for a benefits plan,” and “designing the prescription benefits plan.” Accordingly, applicant disagrees with the Examiner’s position that Ullman teaches applicant’s claimed step of “identifying at least one eligible subscriber having a valid credit or debit account with a creditor or institution and wishing to participate in the prescription benefits plan.” Applicant states that Ullman’s integrated pharmaceutical accounts management system adjudicates claims for patients who have previously enrolled and are currently participating in some plan. Examiner disagrees and states that Ullman does teach “identifying one eligible subscriber having a valid credit or debit account” in that it teaches a member having a credit or debit card that is used as a transaction for a purchase of pharmaceuticals; therefore, Ullman teaches a subscriber (i.e. participating consumer) with a valid credit or debit card.

24. Applicant argues that Ullman does not teach or suggest “a second payment, made by the prescription benefits manager to the pharmacy, the second payment being equal to a predetermined portion of the prescription price; and a third payment, made by the prescription benefits manager to the claims processor, the third payment being equal to a predetermined service fee.” Examiner disagrees. Ullman teaches a system to cause a transaction for a payment being equal to a previously agreed upon price for a prescription.

25. Applicant argues that Freeman does not teach or suggest “a first payment, made by the creditor to the prescription benefits manager, the first payment being equal to the amount charged to the subscriber’s account minus a first predetermined service fee to be retained by the creditor.” Applicant further argues Freeman is silent with respect to the payment being made to a prescription benefits manager. Examiner disagrees and provides support in the rejection above.

26. Applicant argues that Judge does not teach or suggest the missing elements that are missing from the combined teachings of Oscar, Ullman, and Freeman. Applicant states that Judge, instead is directed to delivering a pharmaceutical prescription co-pay counselor over an internet protocol network. Applicant further argues that Judge does not teach or suggest applicant’s missing elements, including “identifying a sponsor for a prescription benefits plan,” “designing the prescription benefits plan,” and “enrolling each eligible subscriber who wishes to participate in the prescription benefits plan.” Applicant disagrees, and states that Oscar, Ullman, Freeman, and Judge together combined teaches the applicant’s claimed invention and with the motivation provided above.

27. Applicant argues that Mayaud does not regard a method of providing prescription benefits to subscribers under a plan, and, as described with reference Oscar, Ullman, and Freeman, Mayaud does not teach or suggest the missing elements, including applicant’s claimed steps of “identifying a sponsor,” “designing the prescription benefits plan,” and “enrolling each eligible subscriber who wishes to participate in the prescription benefits plan.” Examiner disagrees, and states that Oscar, Ullman, Freeman, and Mayaud together combined teaches the applicant’s claimed invention and with the motivation provided above.

Conclusion

Any inquiry concerning this communication or earlier communications from the examiner should be directed to SHEETAL R. RANGREJ whose telephone number is (571)270-1368. The examiner can normally be reached on M-F 8:30-5:30.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Christopher Gilligan can be reached on 571-272-6770. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.

/Sheetal R. Rangrej/
Examiner, Art Unit 3626

/C Luke Gilligan/
Supervisory Patent Examiner, Art Unit 3626